# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

## HB 113 - SB 41

April 15, 2009

**SUMMARY OF AMENDMENT (006183):** Eliminates requirements for the Department of Agriculture to license and regulate dog and cat dealers. Authorizes counties, municipalities, or metropolitan governments to license and regulate establishments that offer dogs, cats, and other pets for sale.

#### FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue - \$10,100 Decrease State Expenditures - \$10,100

### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenue - \$10,100 Decrease State Expenditures - \$10,100

Increase Local Revenue - Not Significant/Permissive
Increase Local Expenditures - Not Significant/Permissive

Assumptions applied to amendment:

- Revenue collected by the Department of Agriculture in FY08-09 from pet stores totaled \$10,125.
- According to the Department, removing the travel costs associated with the enforcement of these requirements will off-set the loss in revenue that was generated by the issuance of license.
- According to the Municipal Technical Advisory Service (MTAS) and the County Technical Assistance Service (CTAS), businesses that sell pets are currently taxed under the Business Tax in Classification 3 and therefore the increase to local revenue would be estimated as not significant. Any fees collected for licensure of these businesses would off-set the expenditures for processing license applications.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

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